LISBON
SCHOOL OF
ECONOMICS &
MANAGEMENT
UNIVERSIDADE DE LISBOA

MASTER

GESTÃO/MBA

MASTER´S FINAL WORK

DISSERTATION

How Business Models Can Affect Startup Failure: Monkey´n Apps Business Study

Gustavo Ferreira Dantas

OCTOBER 2019

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Abstract

Startups are young technology-based companies focused on developing state-of-the-art products or services under conditions of uncertainty. In this scenario, an inappropriate business model can lead to business failure since the business model describes the architecture of the elements that allow an organization to create, configure, and appropriate value. This dissertation aims to identify how business models are associated with the failure of startups.

For this purpose, we use a single case-study based on one Brazilian startup, Monkey'n Apps. The data was collected through interviews with the founder and one employee. Our analyses evaluate the constructs presented on Wirtz's (2016) integrated business model and then we relate those partial models to the processes of value creation, value configuration and value appropriation.

Our results suggest that the start-up failed because of the resource model. Despite being the most critical partial model, the resource model was characterized by a misalignment between the founders led to a poor leadership. The lack of management skills contributed deteriorate the environment in the company that later on let the founder to ignore their primary asset, their employees.

Keywords: Startups, Business Models, Failure, Value Creation, Value Configuration, and Value Appropriation.

Resumo

As startups são jovens empresas de base tecnológica focadas no desenvolvimento de produtos ou serviços de ponta, sob condições de incerteza. Nesse cenário, um modelo de negócios inadequado pode levar a uma falha nos negócios, pois o modelo de negócios descreve a arquitetura dos elementos que permitem que uma organização crie, configure e valor apropriado. Esta dissertação tem como objetivo identificar como os modelos de negócios estão associados ao fracasso de startups.

Para esse fim, usamos um único estudo de caso baseado em uma startup brasileira, a Monkey'n Apps. Os dados foram coletados por meio de entrevistas com o fundador e um funcionário. A análise avalia as construções apresentadas no modelo de negócios integrado de Wirtz (2016) e, em seguida, relacionamos esses modelos parciais aos processos de criação de valor, configuração de valor e apropriação de valor.

Nossos resultados sugerem que a inicialização falhou devido ao modelo de recursos. Apesar de ser o modelo parcial mais crítico, o modelo de recursos foi caracterizado por um desalinhamento entre os fundadores, o que levou a uma liderança fraca. A falta de habilidades gerenciais contribuiu para deteriorar o ambiente da empresa, que mais tarde deixou o fundador ignorar seu principal ativo, seus funcionários.

Acknowledgment

I would like to thank my parents, Euler and Maria, and my wife, Stephanie to all the support they have gave. Without them it would not be possible to finish this journey. A special thanks to my sister, Larissa, and my brother in law, Daniel, that gave me a beautiful nephew.

I also would like to thank Professor Dr Marcia and Dr Ana for the guidance and help in writing the thesis.

I dedicate this thesis no my grandmother, Nicéia, that started this journey with me but could not be physically present to celebrate with me. She will always be remembered.

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1. Introduction

Startups are young or temporary companies operating in a threating environment developing high-tech goods or services. Those companies need specific management tools to develop themselves due to their high failure risk. (Blank & Dorf, 2012; Pajares et al., 2016; Ries, 2014). Startups need to be agile and confident in decision-making. As a consequence, the business model framework became a popular tool to speed innovative processes and generate scale ideas (Wirtz, 2016). The business model framework is a natural way to understand how startups generate value for their customers and implement the strategy of the startup (Osterwalder & Pigneur, 2011).

Startups are looking for a business model that can be replicable and scalable. For that, they search for a replicable revenue model that grows more than operational costs (Blank & Dorf, 2012). With their business models under constant review, startups have the ability and willingness to innovate and, thus, contribute to the technological development and economic growth (Kohler, 2016; Teece, 2010).

Nonetheless, the majority of the start-ups do not survive their first three years. Startups are born in a high uncertainty environment. According to Gosh (2011), nine out of ten startups are condemned to fail. Previous literature has evaluated mostly successful startups, but with these high failure rates, public policy and previous literature has shifted from denying failure to accepting failure as part of the entrepreneurial process. Consequently, understanding why entrepreneurs fail is a crucial learning process to improve the chances of succeeding (Olaison & Sørensen, 2014).

In a dynamic and uncertain environment, a suitable business model can be critical to improve startups survival rate. There are several frameworks to evaluate startup’s business model. In this study, we will follow Wirtz’s (2016) integrated business model. In this framework, the business models can be observed through partial business models and each individual model contributes for value creation.

Therefore, the business model proposed by Wirtz (2016) allows us to evaluate the components of business models in an integrated and consistent manner, and also evaluate start-up’s strategy and procurement, constructs not evaluated in other frameworks.

Meirelles (2015) and Morganti and Meirelles (2016) present three value-related elements of a start-up’s business model: value creation, configuration and appropriation. Value creation is the process of identifying the customers and resources, as well as recognizing the customer needs. Value configuration is the process of implementing the opportunities identified in the value creation phase. Value appropriation is the process of capturing value.

Comprehensive and integrated management of a company's business model can help optimize the relevant elements to achieve sustainable competitive advantage through value creation (Wirtz, 2016), mitigating the risks of failure.

Despite the growing importance of startups in the literature, the determinants of their failure require further investigation. In this study, we examine how business models are associated with the start-up’s failure rate by using a single case study of one Brazilian startup, Monkey`n Apps. For that purpose, we collect data through an interview with the company´s founder and one employee. Monkey`n Apps provided several disruptive solutions and consultancy to help established businesses be ready for digital transformation. Our analyses evaluates the constructs presented on Wirtz’s (2016) integrated business model and then we relate those partial models to the processes of value creation, value configuration and value appropriation (Meirelles 2015; Morganti; Meirelles 2016).

Our results suggest that the start-up failed because of the resource model. Despite being the most critical partial model, the resource model was characterized by a misalignment between the founders led to a poor leadership. The lack of management skills contributed deteriorate the environment in the company that later on let the founder to ignore their primary asset, their employees.

This research brings theoretical contributions to the business model literature as well as to the literature on value creation, configuration, appropriation, and the literature on failure. This research is among the first studies to analyze the relationship between business model and value creation, configuration, and appropriation (Meirelles 2015; Morganti and Meirelles 2016). This relationship between the two approaches contributes to the consolidation of the business model construct.

2. Literature Review

2.1 Start-ups Failure

According to Stevens and Burley (1997), three thousand fresh ideas are needed for only one succeed. Recently, Harvard Business School (2011) points that nine out of ten startups are doom to fail. In fact, Ghosh (2011) says that no matter how a startup failure is defined, the odds are always against the entrepreneur. In Brazil, the number are similar. According to Arruda, Nogueira, Cozzi, & Costa (2012), 50% of Brazilian startups failed in four years, and 75% have shut down in thirteen years. The five most probable causes of failure are all related to problems between the partners: non-alignment of the personal/professional interests of the founders; misunderstandings of the founders; lack of personal identification of the founders with the business; founding managers' inability to adapt to market needs/changes; bad relationship and misunderstanding between founders and investors.

In 2016, Startup Farm analyzed a 191 portfolio of companies between 2011 and March 2016. The study points out that 74% of Brazilian startups close after five years, while 67% close down between two and five years and up to 18% within two years of operation. Besides, the two main reasons for business failure are conflict between founders and misalignment amongst value proposition and market interest. Matias, Ottoni, Russo, Gouveia, & Basso (2018) find also support for the main reasons of startups failure rate. The highest cause of startup failure, 67%, is problems among founders.

There is an extensive literature seeking to understand the factors that drives start-up’s success. Failure analyzes are usually done from the entrepreneur's point of view (Cardon, Stevens, & Potter, 2011; Cope & Jason, 2010; Hmieleski & Lerner, 2016). It is not usual to talk about failure, and the business community sees failure as a cultural norm, an adverse event, a breakdown in social relations that should guard against (Cope, 2011). Individuals are prepared to avoid failure because of fears of critics and stigmatization (Mueller & Shepherd, 2016).

The undesirable perception of failure has led individuals and organizations to focus more on success and avoid the likelihood of failure (McGrath, 1999).

Success does not create a sense of change, enrich knowledge structure or comportment; only reinforces performs, and biases (Ellis, Mendel, and Nir, 2006).

Olaison and Sørensen (2014) defines entrepreneurship as a learning process, where failure is viewed as an essential experience, softening the view of failure. Entrepreneurs are encouraged to try again, not only learn from failure. Studying and learning failure concepts and behavior can help future entrepreneurs to avoid committing the same mistakes, especially those who can look at others' experiences (Amankwah-Amoah, Boso, & Antwi-Agyei, 2018; Denrell, 2003).

Shepherd and Mueller (2016) argues that entrepreneurs that already had failure might have more chances to succeed in a new venture. They emphasize that in order to learn from failure, they have to apply the knowledge gained from failure to another business. In fact, in places like Silicon Valley, failure is tolerated and companies seek for failure entrepreneurs to enrich company experience (Gosh in Nobel, 2011).

More recently, studies combine factors other than the entrepreneur. Geibel & Manickam, (2016) proposes 3 categories: internal factors, external factors, an incubator or accelerator support. Internal factors would be those controlled by the founders. External factors would be external forces not controlled by the founders. These factors will then be monitored and tracked; however, few actions will influence them and the star-up should adapt to them. Finally, the knowledge and experience gained from an incubator or accelerator increases the probability of success.

Batocchio, Ghezzi, and Rangone (2016) listed some reasons why business models fail. An attempting to solve an irrelevant client weakness (misalignment between value proposition and client segment), imperfect business model style, external threats unforeseen, lack of financial viability of business models (costs and revenue). Additionally, Cantamessa, Gatteschi, Perboli, and Rosano, (2018) establish that the failure of a startup is never the result of one reason; on the contrary, various factors influence its failure.

The next session, we will discuss the business model concept, its main definitions, and practical uses that may help understanding the reasons associated with the startup's failure.

2.3 Business Model

Black and Dorf (2012) define startups as new temporary companies looking to validate their business models. Different from established companies, startups work in "search mode," looking for a viable business model that can be profitable and scalable. Black and Dorf (2012) also differentiate the tools that a startup needs to survive. They understand that the business model for a startup requires different rules, script, skillset, and tools that are different from established companies. While established companies already know their customers, problems, and resource, startups are consistently looking for a way to survive in a high failure environment (Blank and Dorf, 2012; Hedman & Kalling, 2003; Meyer, 2012; Pajares et al., 2016; Ries, 2014)

A business model is the structure responsible for building the bridge between technology development and economic value creation (Chesbrough and Rosenbloom, 2002). Business models describes how an organization does business (Chesbrough and Rosenbloom, 2002; Magretta, 2002), and describes how a given actor “chooses to connect with factor and product markets” (Zott and Amit, 2008, p. 3).

Business models emphasize on value proposition and how companies can generate money using a simplified business strategy. Business Models can be the foundation and be part of a business plan. (Amit & Zott, 2001; Chesbrough, 2010; Johnson, Christensen, & Kagermann, 2008; Osterwalder, 2004; Osterwalder & Pigneur, 2011; Teece, 2010). Therefore, before entrepreneurs jump in an extensive business plan, spending hours and hours, they should test their business model in the market and interact with possible customers.

Entrepreneurs can mitigate their business risk failure if they validate their assumptions with possible clients and minimize investment, and effort (Blank & Dorf, 2012; Ries, 2014). Business models help the entrepreneur to focus on relevant information, allowing it to concentrate on primary duties and shaping an ethical decision-making process (Wirtz, 2016).

Startups can pivot their business models easier than an established company. Startups are more flexible, therefore, they have greater agility to innovate their business models (Christensen, 2012). Wirtz et al. (2016) highlight the tendency of the current literature to understand the business model as dynamic rather than the static. Consequently, a startup has to be in a constant adaptation of its business model to be able to survive in a highly competitive world (Kagermann, Osterle, & Jordan, 2011).

However, for a sustainable business model, startups have to go further than technology, products, and innovative service. The startups need to innovate in how exchange their relationship with the stakeholders and create value to them. Creating value is the primary condition for business survival (Evans et al., 2017; Freeman, Harrison, Wicks, Parmar, & Colle, 2010).

During the life cycle of a business model, some stakeholders will be more critical than others. As the needs of an organization change over time, the relative importance of stakeholders will also change as the organization evolves through the stages of startup, growth, maturity, and transition (Freeman et al., 2010; Jawahar & Mclaughlin, 2001).

2.4 Business Models Components

There are different views on how to define business models, however, a there is a consensus in defining business models as components or subordinated elements. Different studies listed or compared business models components and their contribution to value creation.

Wirtz et al. (2016) reviewed 681 journals published from 1965 to 2013 and identified the most relevant nine components for business using metadata analysis: strategy, resources, network, customer, market offering (value proposition), revenue, services provision, procurement, and finances.

Business models' purpose is to support value proposition, define technologies and business characteristics, identify target market segments, select value chain structure, and estimate cost structure and potential profit. The comprehension of business models components is gaining more importance as business models is becoming a key element in business strategy (Chesbrough & Rosenbloom, 2002; Teece, 2007; Wirtz, 2000).

Among the most relevant components in the literature, Wirtz et al. (2016) specifies the elements that converge and discuss the different components. Allowing the comparison among different approaches of business models, as presented below in Table I:

Table I- The main components of the business models according to Wirtz (2016)

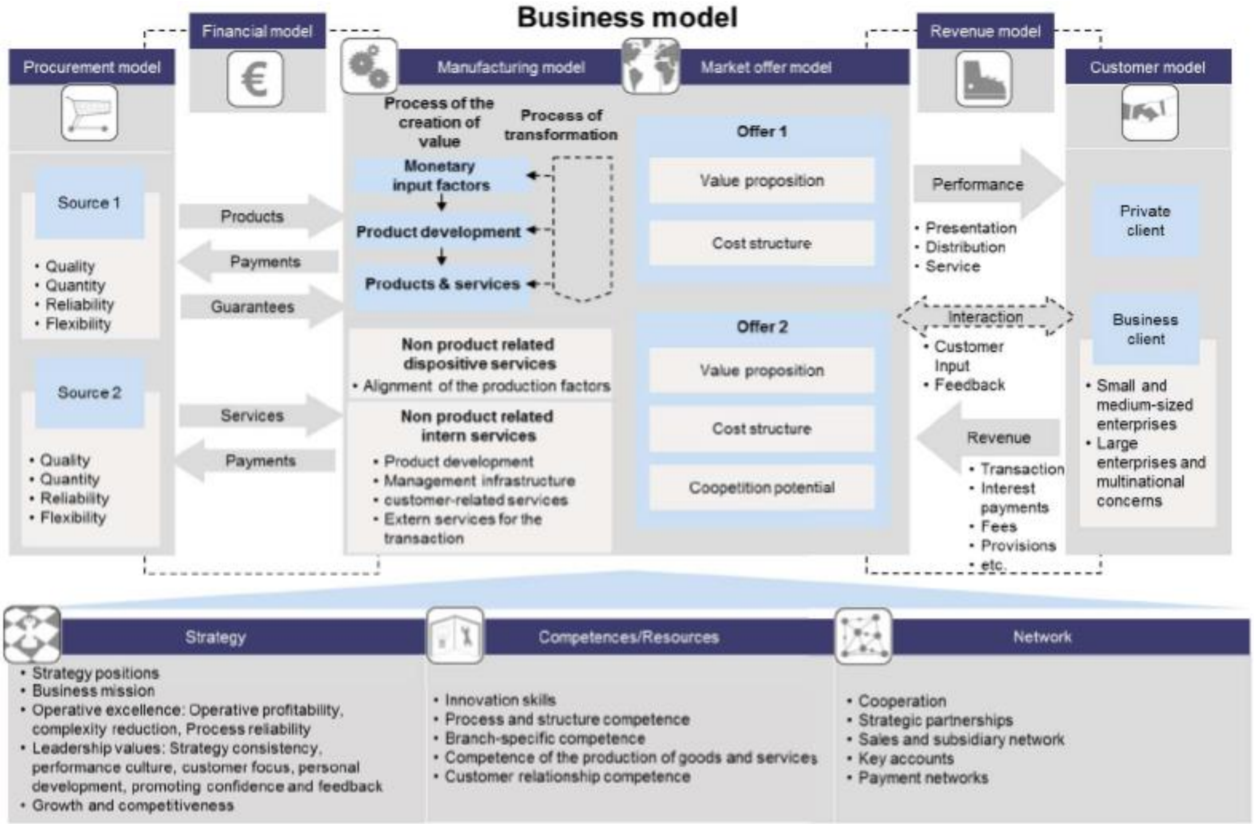
Components	**Wirtz`s comments**	**Authors quoted by Wirtz**
Strategy (primary strategy, combination of factors of production, components of managerial and organizational process, positions, scope, differentiation, strategy, and structure)	There is little agreement on strategy as a component of business models in the literature, as some authors generally integrate the implications of corporate strategy implicitly in their approach. "The historical creation of the concept shows that strategy has an essential influence on the development of a business model and can be understood as a kind of guide."	AFUAH, 2004; HAMEL, 2000; KALLING; HEDMAN, 2002; TIKKANEN et al., 2005; WIRTZ, 2000; YIP, 2004
Resources (core competencies, core assets, technical architecture, leadership capabilities, organization, essential resources)	There seems to be a strong consensus on the importance of this component. "Material and immaterial resources are often seen as important components in the literature. In this regard, the company's internal resources and capabilities, as well as external capabilities, are considered."	AFUAH, 2004; BOUWMAN, 2003; CURRIE, 2004; JOHNSON, 2010; KALLING; HEDMAN, 2002; LECOCQ; DEMIL; VENTURA, 2010; OSTERWALDER; PIGNEUR, 2011; OSTERWALDER; PIGNEUR; TUCCI, 2005; PETROVIC; KITTL; TEKSTEN, 2001; VOELPEL; LEIBOLD; TEKIE, 2004; WIRTZ, 2000; YIP, 2004

Network (value network, logistics flow, (re) configuration of value network for value creation, key partners**)**	Network-oriented view in literature. "Networks and partnerships can have a great influence on the value creation of a company." "The network component includes the various interactions, primarily external, of a business model and serves as a management tool to monitor value distribution with a joint value creation."	AL-DEBEI; EL-HADDADEH; AVISON, 2008; BARNEY, 2004; HAMEL, 2000; MAHADEVAN, 2002; OSTERWALDER; PIGNEUR, 2011; OSTERWALDER; PIGNEUR; TUCCI, 2005; TIKKANEN et al., 2005; VOELPEL; LEIBOLD; TEKIE, 2004; WU; ZHANG, 2009
Customer (customer interface, market and customer segmentation, customer service value, target customers, customer nature, channels, distribution channel, customer relationship**)**	"The particular importance of customers is often referred to in the literature. Half the approaches viewed take into account the role of the customer or also the design of the client interface explicitly."	BOUWMAN, 2003; HAMEL, 2000; KALLING; HEDMAN, 2002; MAGRETTA, 2002; MAHADEVAN, 2002; OSTERWALDER; PIGNEUR, 2011; OSTERWALDER; PIGNEUR; TUCCI, 2005; PRAHALAD; RAMASWAMY, 2004; WIRTZ, 2000; YIP, 2004)
Market offering (value proposition, value flow, service offer and value proposition, competitors, supply, industry factors, value for the customer, value architecture)	Market offer and resources have a significant agreement among authors. "Another component often referred to in the literature is the market supply model, which may be the often-mentioned value proposition, the benefit/value a customer receives through business models. point out that focus on the company itself is not enough, and competitors also need to be taken into account in this context."	AFUAH, 2004; AL-DEBEI; EL-HADDADEH; AVISON, 2008; JOHNSON, 2010; KALLING; HEDMAN, 2002; KALLIO; TINNILÄ; TSENG, 2006; LECOCQ; DEMIL; VENTURA, 2010; LEHMANN-ORTEGA; SCHOETTL, 2005; MAHADEVAN, 2002; OSTERWALDER; PIGNEUR, 2011; OSTERWALDER; PIGNEUR; TUCCI, 2005; VOELPEL; LEIBOLD; TEKIE, 2004; WIRTZ, 2000; YIP, 2004
Revenue (revenue stream, systematization of revenue forms, revenue model, volume and	Although there is little agreement on the revenue component, revenue creation is an essential determinant of corporate positioning and often mentioned in the literature. "Today, many forms of revenue generation are possible, so spectrum ranges from direct transaction-dependent revenue and indirect to indirect forms of revenue. Depending on the	JOHNSON, 2010; KAPLAN; NORTON, 2004; LECOCQ; DEMIL; VENTURA, 2010; LEHMANN-ORTEGA; SCHOETTL, 2005; MAHADEVAN, 2002; OSTERWALDER; PIGNEUR, 2011; OSTERWALDER; PIGNEUR; TUCCI, 2005; WIRTZ, 2000

structure of revenue streams, profit formula)	remaining components of business models, the revenue structure and revenue streams must be designed to maximize revenue. "	
Service Provision (combination and transformation of goods and services, activities and organization, delivery of value, how to transform inputs - including technology, value configuration, operations, key processes, key activities)	"Frequent use of terms for service delivery is also reflected in the components. In this context, 'activities,' 'value creation and implementation activities,' and 'processes' are often mentioned."	AFUAH, 2004; JOHNSON, 2010; KALLING; HEDMAN, 2002; MAHADEVAN, 2002; OSTERWALDER; PIGNEUR, 2011; OSTERWALDER; PIGNEUR; TUCCI, 2005; TIKKANEN et al., 2005; WIRTZ, 2000; YIP, 2004
Procurement (factors of production and suppliers, suppliers of production inputs, nature of inputs)	Procurement/procurement aspects appear only three times in the components of the business models of the approaches examined "Modern procurement management is primarily characterized by the change in globalization, reducing production cycles, as well as shifting from the producer to the buyer market. Consideration of supply in a business model is therefore mandatory as neglecting this aspect may have far-reaching consequences for other components. "	KALLING; HEDMAN, 2002; WIRTZ, 2000; YIP, 2004
Finances (financing and refinancing, financial arrangements, costs, cost structure, accounting, volume and structure of revenue costs)	"Financial aspects can be identified as part of the literature review as the ultimate component of a business model ... through detailed financial planning, to ensure a frictionless capital flow, and through cost structure analysis".	AFUAH, 2004; AL-DEBEI; EL-HADDADEH; AVISON, 2008; BOUWMAN, 2003; LECOCQ; DEMIL; VENTURA, 2010; OSTERWALDER; PIGNEUR, 2011; OSTERWALDER; PIGNEUR; TUCCI, 2005; TIKKANEN et al., 2005; WIRTZ, 2000

Source: Author elaboration from Wirtz (2016 p.31:33)

Figure 1 - Interactions of the partial models of the business models



Source: Wirtz (2016)

Strategy, resource, and network models’ interactions affect the composition of the creation and configuration of value and influence each other. The manufacturer model and market offer model represent the main aspects of value generation. The revenue model is configured through the market and customer supply, while the financial model depends on the production model and the acquisitions. In this study, we will analyze based on Wirtz's (2016) proposal through the partial models and their interactions.

2.5 Creation, Configuration and Value Appropriation

Osterwalder and Pigneur (2011,p.14) describes business models as “the rationale of how an organization creates, delivers, and captures value." In this context, the authors refer to the importance of the value proposition for the customer. This value can be quantitative (price) or qualitative (design, customer experience). Business models are designed to solve organizations' problems by creating and capturing value from customer (Teece 2010; Zott, Amit, and Massa 2011).

The value creation is the critical component of business models, and according to Casadesus-Masanell and Ricart (2010). When choosing a particular value proposition in the business model means choosing a particular way to create value for its stakeholders.

The business model literature demonstrates a consensus on the value creation component, which is directly related to the value proposition of business models. Business model researchers often consider other value elements: value generation, capture, delivery, configuration, and appropriation (Amit & Zott, 2001; Johnson et al., 2008; Kagermann et al., 2011; Meirelles, 2015; Osterwalder & Pigneur, 2011; Wirtz, 2016).

Meirelles (2015) presents an integrated framework composed of three elements that encompass value-related aspects: creation, configuration, and appropriation of value, according to Table II.

Table II - Business Model Approach from Value Creation, Configuration and Appropriation Process

	Value Creation	Value Configuration	Value Appropriation
Definition	Opportunity discovery and recognition process through analysis of the firm's environment, customers and internal resources	Opportunities implementation process through the articulation of resources and activities in the value chain and delimitation of organizational boundaries (internal and external)	Value capture process by defining the product/service marketing model concerning competitors; and definition of the criteria and choices for appropriation of the value of innovation.

Objectives	- Identification of potential customer needs and benefits associated with products/services. - Identification of stakeholder interest - Identification of resources, competencies, and skills	- Description of the combination of resources needed for efficient and competitive value delivery. - Description of the flow of activities that underlie value creation. - Description of production processes and customer service - Definition of organizational boundaries and forms of governance along the value chain. - Description of role distribution. -Degree of centralization. - Internal coordination mechanisms.	- Definition of pricing strategies. - Definition of economic and technical efficiency criteria (economies of scale) - Definition of technology strategies
Results	- Market segmentation and degree of technological and market diversification - Demand function: value proposition by customer segment (market base)	- Production function (technology base) - Organizational structure - Channels and Partnerships - Governance Structure (contracts and incentive mechanisms)	- Cost Structure - Revenue Structure - Appropriation of innovation
Theoretical Foundation	- Value creation and co-creation - Innovation	- Value chain - Operations Management / Supply Chain Management - Governance Structure - Organizational Forms	- Microeconomics and Strategy Economics (Entry Barriers and Strategic Positioning) - Innovation Management and Technology Strategies

Source: Author elaboration from Wirtz (2016)

The study done by Meirelles (2015) and Morganti and Meirelles (2016) goes beyond customer value creation. Although several business model studies focus on the customer value proposition, the authors state that value creation goes beyond the end consumer, addressing both internal and external actors. This understanding is present in several business model studies that discuss aspects related to value creation. Wirtz (2016) discusses chain concepts and value systems. He concluded that enterprise architecture is a network of creation and value relationships.

The business model is a fundamental source of value creation for the company and its suppliers, partners, and customers (Amit & Zott, 2001). However, creation is just one of the value elements that contribute to the success of a business.

Value Configuration addresses the "mixtures of information, physical products, and services, innovative transaction configurations, as well as the reconfiguration and integration of resources, capabilities, roles, and relationships between suppliers, partners, and customers" that generate value creation opportunities. (Amit and Zott 2001, p. 496). In adding value throughout its value configuration, an enterprise needs to coordinate activities among areas within and outside, using mainly communication and information (Afuah & Tucci, 2001).

Value appropriation is linked to the business revenue model to value capture (Amit and Zott, 2001). The company can use value-taking mechanisms, such as favorable resources and industry positions, to increase its bargaining power with other actors. Value appropriation is found in revenue sources and mechanisms that protect the profits of innovation (Fjeldstad & Snow, 2017).

Based on this foundation, and following the concepts presented in Table II, his research establishes the relationships among each value element and the Wirtz (2016) business model component and partial business model, detailing and organizing the analysis categories of the present study (TABLE III).

Table III Value Creation, Configuration, Appropriation and Business Model Components

	Value Creation	Value Configuration	Value Appropriation
BUSINESS MODEL COMPONENTS PARTIAL MODELS	Strategy Model Customer Model Market offer Model	Resource Model Networks Model Manufacturing model Procurement Model	Revenue Model Financial Model

Source: Author elaboration from Wirtz (2016)

3. Research Objectives

The general objective of this research is to identify how the creation, configuration, and appropriation of value in a business model are associated with the failure of start-ups, using the start-up Monkey`n Apps as a case-study. To achieve this overall goal, we intend to meet the following specific goals:

1) Identify the components of Monkey`n Apps' business models.
2) Identify the moments of creation, configuration, and value appropriation in Monkey`n Apps.
3) List the critical factors of the Monkey`n Apps business model that interfered with the creation, configuration, and appropriation of value.
4) Identify the reasons associated with the failure in creating, configuring, and appropriating value in Monkey`n Apps' business models.

4. Methodology

The methodological approach applied on this study is characterized by realism paradigm (Gephart Jr., 2004), grounded on a descriptive-exploratory qualitative research method (Merriam, 1998) and oriented to the interpretation of a social phenomenon, through the use of a single case study (Eisenhardt, 1989). The research strategy adopted is characterized by unique case study supporting a longitudinal analysis (Yin, 2003).

Qualitative research allows "to explain research observations by providing well-grounded conceptual insights, which reveal how broad concepts and theories operate in particular cases" (Gephart Jr., 2004). According to Merriam (2002), it seeks to interpret the visions and meanings attributed by the research subjects to their experiences, focusing on the perspective and the people worldview involved in the investigated context.

In this research, the case study strategy was chosen as a research strategy in order to analyze in depth a real problem. The case study is considered an adequate methodology for practical problems and applied knowledge (Takahashi, 2018). According to Eisenhardt (1989), this research strategy is useful in the early stages of research, mainly when a new perspective is needed. The case study investigates a subjective approach and uses a plan of action as a theoretical focal point, to break down a setup. According to Yin (2014), single case studies can be performed as long as the case is critical, peculiar, familiar, revealing, or longitudinal. The primary sources of contextual analyses are reports, authentic records, perception, and meetings (Yin, 2014). In our study, the fundamental source of information is two semi-structured interviews with the founder and one employee. The employee was a developer leader.

The contextual analysis is the technique used to answer an issue for a particular circumstance, examined from inside and outside perspective. The contextual analysis is the principal methodological system for the improvement of scholarly explore in the organization zone, as it is a satisfactory strategy for the methodology of functional issues and connected learning (Takahashi, 2018).

Regarding temporality, this study is longitudinal, as it collects data along the time span of the startup, and takes into account information from previous periods, especially concerning the innovation . (Cooper & Schindler, 2013).

A summary of the discussions in this section is presented in Table IV below.

Table IV-Epistemological definitions and research classification.

Scientific Paradigm	Realism
Epistemological position	Modified Objectivism
Approach and nature of data	Qualitative
Levels	Exploratory and descriptive
Strategy	Case study
Time	Longitudinal cross-section

SOURCE: the author (2019)

Regarding data analysis, the content analysis technique was used. It is a set of communication analysis techniques (Bardin, 2009). Therefore, we followed the content analysis steps suggested by Bardin (2009), namely: i) pre-analysis (idea organization; data collection; operationalization); ii) exploration of materials (data coding); iii) outcome / inference (synthesis, selection, and interpretation). All the process was recursive because data was resumed on a later period to confirm the analysis.

As mentioned by Hay and Usunier (1993), interviews with the managing partners are essential and adequate because they are an essential source of data for the organizations. Nevertheless, the size of the start-up and its failure are natural barriers to interview former employees. The first contact with the field founder was made during 2019. The final interview took place on September 2019. The interview with the founding partner was semi-structured, and followed a script of questions based primarily on the Wirtz (2016) model. The questions were related to creation, configuration, and appropriation of value and directed the founder to describe his experience failure on the start-up Monkey`n App. In short, this study applied the observation, interviewing, and knowledge assortment techniques.

The interview took one hour, and the entrepreneur was helpful to answer any doubt to clarify a grey area afterwards. As Monkey`n App was acquired by another firm, access to optional information was constrained, and only one of the two founders were available to interview.

5. Case Description

We selected Monkey App case-study because of its promising future. During the two years of existence, the startup reached almost 30 employees and reached a total revenue of four million euros. Monkey App was a digital service company, helping other companies to enter the digital era. Monkey used high technological solutions such as blockchain, internet of things, artificial intelligence, and others to help their customers to provide digital capabilities to their clients.

Monkey’n Apps business idea and the entrepreneur history intertwined. The entrepreneur had a successful entrepreneurial start-up before the Monkey´n Apps. He founded Go-Pay in 2011, an electronic payment that was sold to Santander. During this transition, he went to Spain to manage the merger. In Spain, he met a digital transformation company that worked with Santander, and he brought this idea to Brazil. After the contract finished, he decided to found the company with an investor.

Monkey’n Apps was founded in São Paulo, Brazil, by an entrepreneur and an investor. The investor was a CEO from a technology company called Vita IT, a Gold Partner from Cisco System. They came together as Cisco changed its core business from a hardware infrastructure solution to digital transformation solutions like the Internet of things, cloud computing, and other new technology.

The investor saw a market opportunity to develop a new digital area for Vita IT. No other company in Brazil was operating in the digital transformation area. Monkey'n Apps was an innovative service startup offering disruptive solutions for established business, using digital transformation technology, like blockchain, artificial intelligence, internet of things, big data, and many other solutions. As an innovative company, Monkey’n Apps developed an app called *“Partiu Entregas.”* This app connects ordinary people who can request or deliver documents and products like Uber Rush.

Monkey`n Apps included several services making it hard for the founder to define it. “It was different from consulting because consulting provides only human resources and gives an idea here and there. So, it was different. It was a whole different business, really crazy.” Monkey’n Apps developed state-of-art projects for several customers. For example, the company developed an online payment system using blockchain to improve security, augmented reality for a cosmetic company, and telecommunication company. Another solution developed was a cryptocurrency for a supermarket chain to exchange money and have a product discount. An app for a bus company where a customer buys a ticket, book a sit on the bus, have free wi-fi, and other possibilities.

However, the investor had a different idea for Monkey’n Apps. The investor was looking to get a closer relationship with Cisco. As Cisco had changed its primary business, he saw an opportunity to get ahead of much bigger companies. Vita IT competitors were focused on hardware, and having this close relationship with Monkey’n Apps could benefit Vita IT, and it did. Vita IT won several contracts using the resources from Monkey’n Apps.

Monkey´n App started very well. During the first year, the entrepreneur was leading the company and was developing its view of the company. The startup was able to get crucial clients as JBS, Natura, LATAM, Braskem, and Odebrecht. Those firms were massive customers for a startup. In the second year, with Monkey´n Apps growth, the investor began to participate more in daily operations of the company. Differences strategies between the founder and investor began to appear. These differences erupted in such a way that it began to affect Monkey'n Apps entire daily operation. The bad relationship between the founder and investor affected the work environment, leading to a loss of confidence among the employees and a loss of key employees. The difficulty in replacing these positions lead to a loss of customers.

As the investor owned Vita IT's and had more funds, he earns control over the decisions made on Monkey’n Apps. The investor used Monkey'n Apps’ resources to benefit Vita IT and not the start-up itself. Due to this divergence of opinions, the founder decided to leave the business. Monkey`n Apps was later acquired by Vita IT. Vita IT, still exists today, has a different focus and strategy. Two years after the acquisition, Vita IT is now focusing on the digital transformation market but not on the telecommunication area, suggesting that Monkey`n Apps could have had a different path.

5.1 Monkey’n App Business Model

Wirtz's (2016) framework proposes nine components, distributed in three areas: strategy, resource, and networking model. Table IV provides a summary of the strategic component features and some excerpts of the interview to the founder.

Table V – Data on Monkey’n App strategic components

Strategic Model	"The name of this company we founded was called Monkey'n Apps, which was a software house, a general application company focused on innovation. So we worked with (blockchain), with IoT (Internet of Things), general technology development”. “So, it had blockchain development, IoT innovation, customer innovation, all that kind of stuff." “We had some estimates of market share and that kind of stuff, but to this day, a company like Monkey, in Brazil, I do not think it has, to tell the truth, because it is a very company-specific.”
Resource Model	“I think we had something that was a differentiator, that our team, people, everyone gave us ideas and tried to give us ideas all the time. That was cool because everyone has a life experience and every idea that came from a different area, we started to compose things. It is the bid for diversity. We always tried to hire as many different people as possible. So, we had everything inside (Monkey). We had a man, a woman, a gay, a transgender, a black, an Indian, a Japanese because, with that, we could compose the kind of ideas. There was a boy who was blind. So, we tried to bring this diversity as Silicon Valley does so that the ideas could be as different as possible. It always came out very cool.
Network Model	“What happens is, we had a partnership, and we had a very close alliance with Cisco, so they gave a lot to people in training, gave a lot due to this company that was our investor. So, we would send resources to Silicon Valley for training. We also approached some of Cisco`s clients because they ended up pointing us. So, we had that, and it was a lovely partnership.” “I had lunch with Brazil Cisco’s president, because he introduced me to someone, introduced me to someone else, to feed Monkey. Monkey was very well fed by Cisco (customer). Cisco always put Monkey ahead.” We had some customers who also came from them, some sporadic customers. They were not the most significant contracts, but they had visibility. We even won a prize, got a quote, won a prize in San Jose, where it is Cisco Headquarter.” “We had a close partnership with Microsoft, too, so Microsoft ended up training

	our employees, everything. Whatever we wanted, we had Microsoft, because they also believed a lot in this kind of company, companies that are propagating innovation, and we hosted everything in the cloud, so it was all Azzure from Microsoft. Man, we had much partnership with tech companies."

Source: Author elaboration

Monkey'n App strategic model has its primary goal to help traditional businesses to be ready for digital transformation with disruptive solutions. Monkey'n App value proposition was to use innovative solutions to help their customers improve their competitive advantage. Figure 2 shows that the value creation structure was consolidated and well defined.

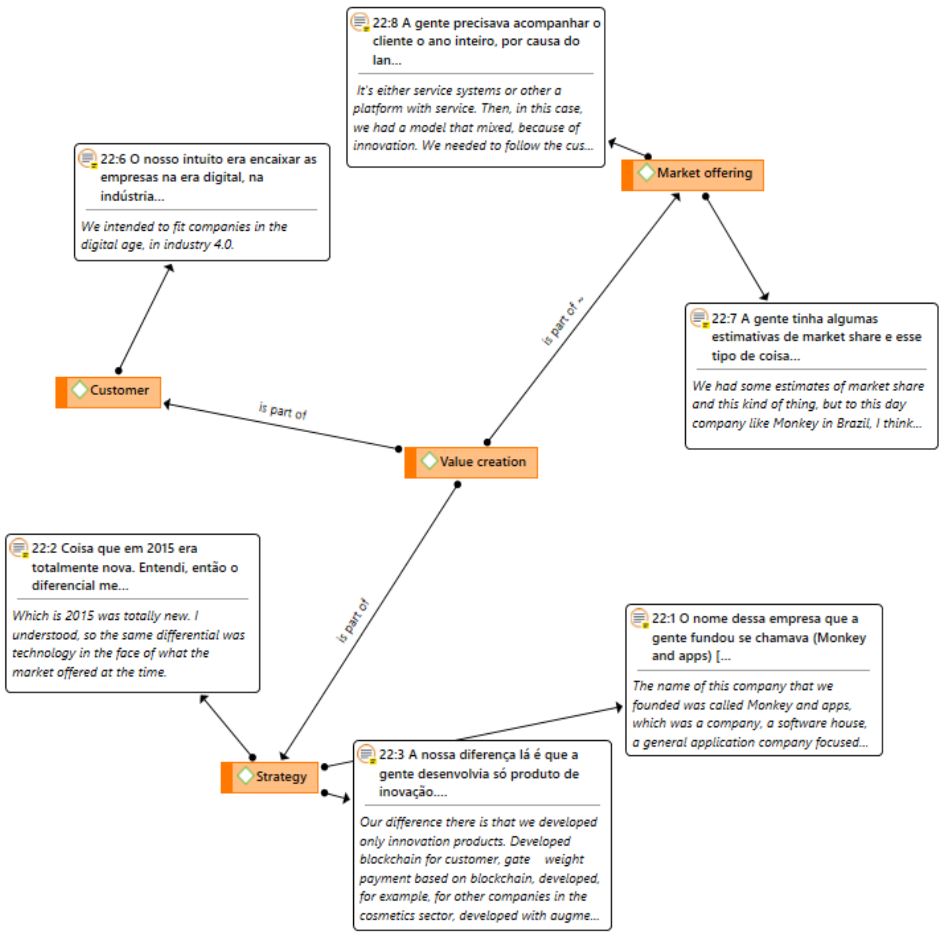


Figure 2 – Value Creation Structure

Monkey'n Apps central resource was their human resources. For innovative solutions, Monkey'n App knew it would need different views, personal background, and experience to satisfy the most unusual customer request. For example, because of a Brazilian digital inclusion law, a bank needed to create access for blind people, and challenge Monkey'n Apps to bring them a solution. However, the customer was not aware of their team diversity and knowledge. Monkey’n Apps had a blind person working with them, and they used his experience to develop a solution specific for blind people to this customer.

Regarding the network model, during the interviews, it was possible to identify the concern with building and maintenance of an extensive network of contacts - more specifically with Cisco and Microsoft. Those partnerships helped Monkey’n Apps trainer its employees and get customers. It also increased their reputation and awareness in the market.

The customer and market component, consisting of the customer, market offer, and revenue models, can be analyzed in an integrated manner. Table VI presents excerpts from the interviews that highlight the characteristics of Monkey’n App’s partial model.

Table VI- Customer & Market Components from Monkey’n App’s

Customer & Market Component	
Customer Model	“Our goal was to fit companies into the digital age, industry 4.0. So, for example, in the case of the shipping company, for you to get an idea.” “Our difference was that we only develop innovative products — developed blockchain to client-based system, gate weight, blockchain payment. Developed, for example, for other companies in the cosmetics industry, developed with augmented reality, developed augmented reality applications for the communications industry using IoT. So, we had this more futuristic footprint, let us say that.”
Market Offer Model	“We had some estimates of market share and that kind of stuff, but to this day, a company like Monkey, in Brazil, I do not even think exist, to be honest, because it is a particular company." “We needed to follow the customer all year round, because of the product launch, that kind of thing, so we called our customer journey We made a model where we had a monthly charge, and it was composed”
Revenue Model	We had a business model that was not traditional. “We had a model that mixed, because of innovation.

	"If the customer wanted to use a product that we developed, we would charge the product license, but we also had to change our innovation on top of the whole process and also the hours the customer had bought from us, human hours.

Source: Author elaboration

Monkey'n Apps main goal was to help traditional businesses to fit in digital ages so that any company could be a potential customer. They used Customer Relationship Management to generate leads to book meetings, multimedia presentations, and previous case examples, to attract potential customer attention. Monkey'n Apps trained their sales representatives on their capacities and innovation solutions. The company used its diversity solutions to attract their customers.

Monkey'n Apps product was tailor-made, high-technological and personalized solutions following the client until the release of the final product. For the revenue model, all the developed solutions fit each customer need. So, the contract was negotiated directly with the client.

The value creation component evaluates under which conditions the manufacturing, procurement, and financial models generates value. Table VIII, the central section for component characterization, is shown.

Table VII - Value creation components from Monkey'n App

Value Creation Components	
Manufacturing and Procurement Model	"infrastructure, which was Microsoft, so we had hosting, everything was outsourced, we had nothing. We also had all the infrastructure, so the internet, telephony, all that kind of stuff. The financial part, The HR part, we also outsourced everything, because we did not want to put anybody in HR.
Financial Model	"We had voracious control every week. We had a meeting with the financier to present us with the revenue which we had. Everything. Cost with suppliers, what we had sold, what would come in profit, whether it would be positive or negative in the month". We had a map of the entire forecast and also try to anticipate revenue with customers, so we do not rely on advance, more investment. So, frequently, what we did was, if we already had titles, let us say, we already have here, for example, ten contracts signed. These contracts by the end of the year will pay seven million. Will pay equal to the first year, two million, but we are in June, and we need a million by October, how do we do?"

	"We have these titles here. So sometimes we would sell securities to a bank, receivables to the bank. The bank advanced the money for us, we put that money in the cash as working capital and put the company to spin. It is like an anticipation, so we ended up negotiating title. We negotiated a contract, asked for advance, but we always had money to make this tour there, without having to take it out of our pockets." "I had fifty percent, and this other company also had fifty percent."

Source: Author elaboration

The manufacturing model was the first analyzed component of the business model. Monkey'n Apps value proposition revolved around the single initial proposal to an innovative solution to the traditional market. Much of the team's effort was on development and management innovative solutions for different customers. Services delivered were depended on people and case-by-case negotiations.

Monkey'n Apps outsourced all their internal support services. From the financial department to human resources were all subcontracted. The infrastructure was subcontracted from Microsoft, especially cloud computing. Cloud computing is one value generation for clients. As we can see through the company business model, there is an intrinsically connection between the manufacturing model and the procurement model.

The financial model describes the company's financing, capital, and cost structure (Wirtz et al., 2016). Monkey'n Apps started with two founders, both with equal shares. Their main costs were concentrated on people, IT infrastructure, and office expenses. To avoid external finance, Monkey'n Apps sold securities and anticipated revenues to finance working capital when needed. The value appropriation structure is summarized in Figure 3:

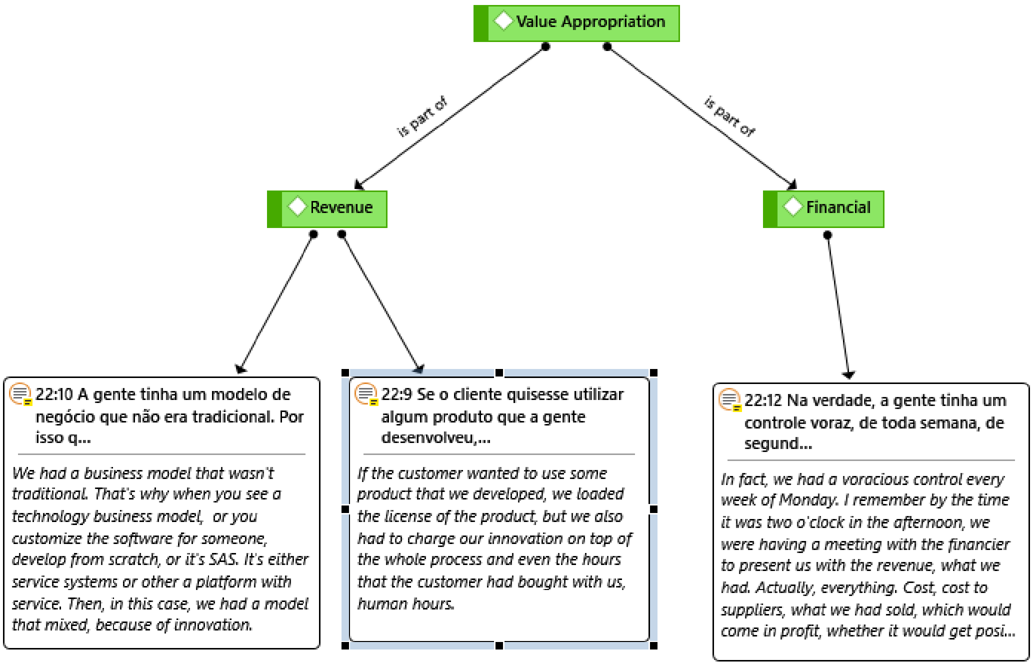


Figure 3– Value Appropriation Structure

5.2 Failure factors

The relationships among the value elements - creation, configuration, and appropriation - and the components and partial models from Monkey'n Apps' business models were analyzed based on interviews. Moreover, to understand the failure factors and how the Monkey'n Apps was operating on a daily bases, we conducted an interview with a former employee a former developer leader.

Before the establish the startup, the founders did market research to identify potential opportunities for business viability. The company was built on a market opportunity. Cisco, the investor behind the partner, has pivot their business, leaving the hardware business to focus on the software market. They have a joint venture company in Brazil to invest in startups, and one of the shareholders had been previous CEOs and COOs from other companies.

We identify a lack of strategy path that can have led the company to failure in the value creation stage. This lack of strategy path is related to the relationship problem between the founders. They were not able to focus on what would be the best strategy for the company. They had a dubious strategy to Monkey`n Apps, the founder focused on developing innovative solutions to a small number of companies, and the investor was more concerned about using Monkey’n Apps resources to help Vita IT in new business opportunities.

Value configuration demonstrated through the partial resource, network, production, and acquisition models enabled the implementation of opportunities identified in the value creation phase, as we can see in Figure 4.

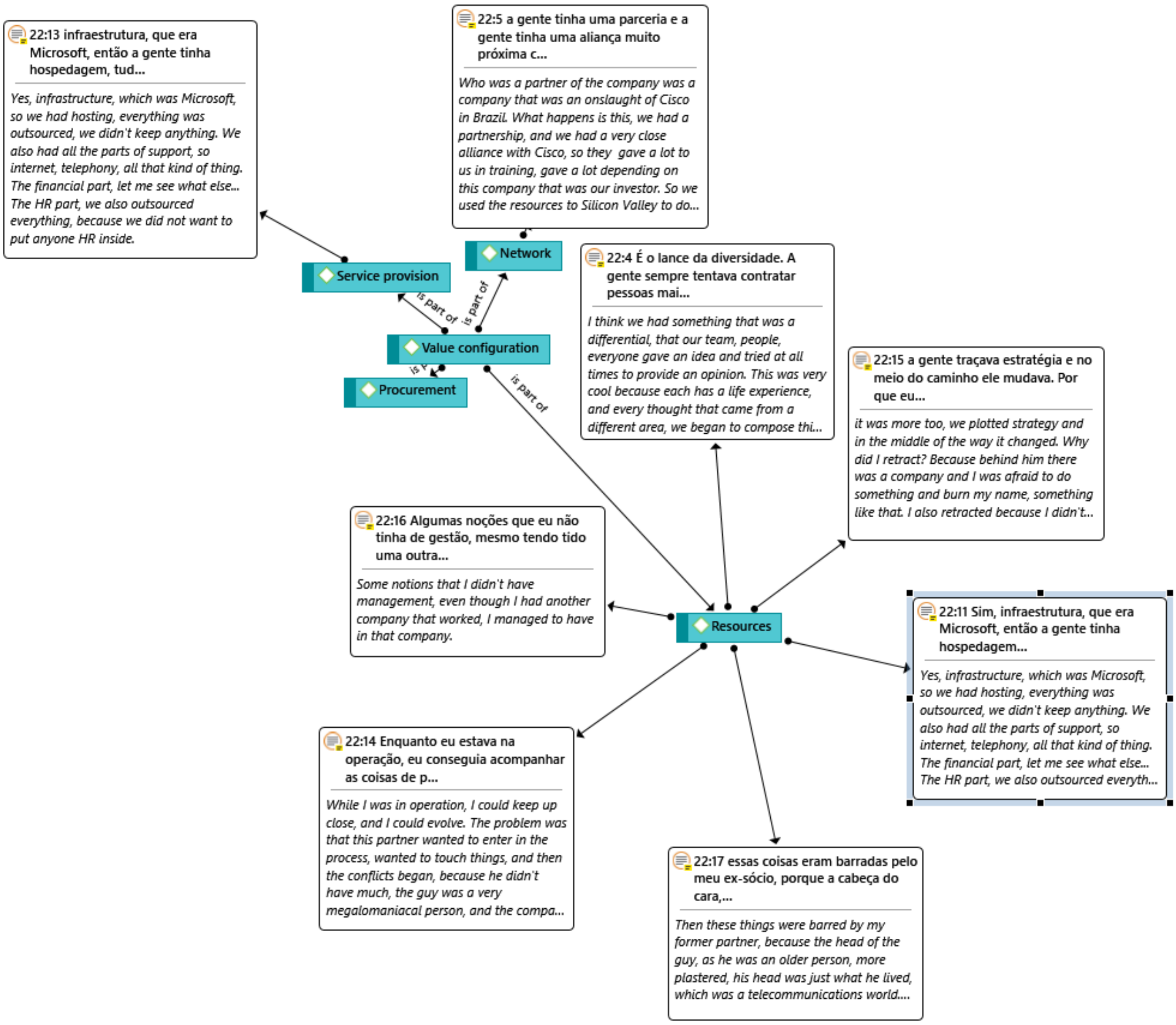


Figure 4 – Value Appropriation Structure

The company started its activities, and the founders started to disagree on several opportunities, not foreseen in the previous phase. The reasons for this were mainly the difficulties in their relationship and strategy path encountered in the Strategy model and Resource model. Table VIII lists the main failure factors found in the resource and strategy model extracted from the interview:

Table VIII - Failure Factors

Failure Factors	Evidence
Strategy Models	
Lack of strategy path	“And not only that, but more so, we plotted strategy, and halfway, he changed.” “The worst is that you pass the environment as the partners are for the entire company because then the company collapses. That is what happened with Monkey. I would go there, present the strategy, and say, "Guys, this week, we have to do this." Then we would arrive midweek, he would go there, I was not, there sometimes, and he would change the strategy. "No, forget that." Then I would go back there, and no one was doing what we had planned. I said, "No, guys, come back." This confusion, this instability, when you go to the company, the company says, "Man, guys do not talk to each other, there is a problem there."
Resource Model	
Poor leadership	“While I was in operation, I could keep track of things closely and could evolve. The problem was that this partner wanted to get into the operation, wanted to move things and then the conflicts started, because he did not have much, the guy was a very megalomaniacal person, and company does not work under one person. You need to delegate; you need to do things. Then began the ruin of the company, say so.”
Stop listening to their main asset.	“I say listen more to employees, that kind of thing, because what happened a lot is that my partner armored employees, only he was right, the employees were not. Also, many ideas came from the employees that we did not accept because only he was right.” “So, we tried to bring this diversity as Silicon Valley does so that the ideas could be as different as possible. It always came out very cool. Then these things were barred by my ex-partner, because the guy's head, as he was an older, more cast person, his head was just what he lived in, which was a telecommunications world. In this case, the old won the new, let us say, because we, with this diversity we had, that, for us, was the key…”
Lack of management skills	“Some notions that I had no management, even though I had another company that lead, I managed to have that company.”

Source: Elaborated by Author

Following the analysis of the value configuration step, it can be confirmed that the market offer model and value creation model have been adequately planned and implemented. However, the strategic model, more specifically the resource and strategy model were not well planned and executed, especially in the second year. Figure V presents the Business Model, Business Model Components and Creation, Configuration and Value Appropriation and failure aspects.

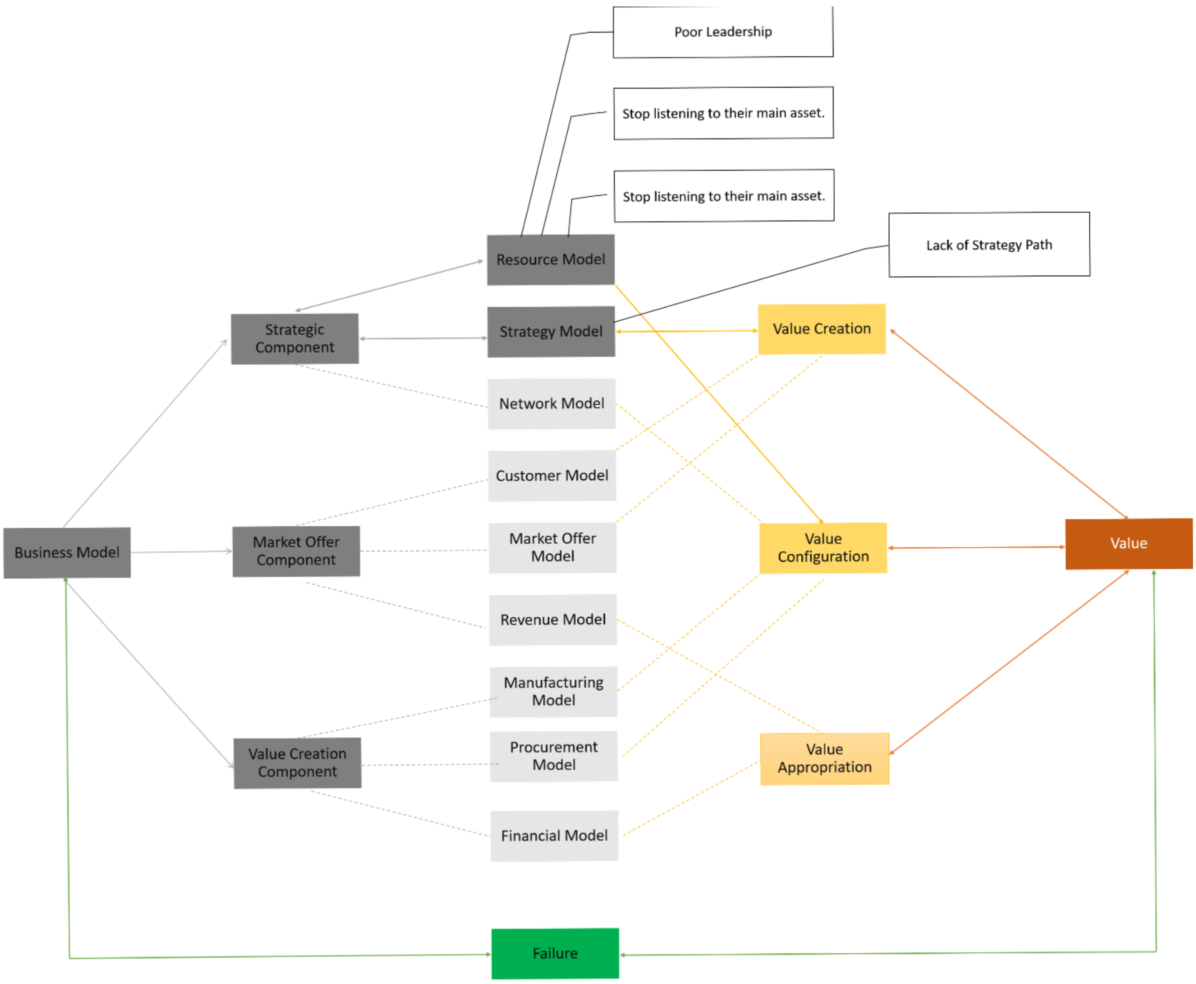


Figure 5- Business Model, Business Model Components and Creation, Configuration and Value Appropriation and failure aspects.

The founder and investor were not able to set up a common strategy for the company. Even though we interviewed the CEO of Monkey'n Apps, he was not able to manage the company. He had some experience in previous business, but as his partner was more experienced, he let him take the Monkey'n operational control, as stated below.

"And not only that but more so, we plotted strategy and halfway it changed. Why did I retreat? Because behind him was a company. Moreover, I was afraid to do something and burn my name, something like that."

Monkey`s founder

The lack of strategy was also identified in the former employee interview. He explained that the entrepreneur was looking for customers where Monkey`n Apps could apply innovative solutions; however, the investor was more concerned with serving the clients that would be most beneficial to Vita IT's business.

"One partner wanted to keep Monkey focused on innovation and pick specific customers, the projects, and focus more on the projects that would give Monkey visibility in the marketplace and bring it to market. On the other hand, the investor wanted to focus on Monkey's revenue to keep Monkey financially independent, so he did not have to take money from Vita to Monkey, and use Monkey's resources to do Vita IT projects."

Monkey`s former employee

The resource model was the main differentiator for Monkey'n Apps. The company had a great diversity team and was able to profit from it. Monkey'n Apps main product was the capability to develop innovative and disruptive solutions, and most of those ideas came from employees.

The former employee also gave more insights into the relationship in the company. Over the first year, Monkey'n Apps' employees were close to each other and even to the founder and investor. However, over time, the relationship between the founder and investor deteriorated, the climate in the company began to worsen and affected the productivity of the company and employees as it was another problem to be managed by the CEO.

During the interview, he quoted an episode that exemplifies the failure signals in the partial appeal model. Monkey'n Apps got a contract with a major client to develop an innovative solution. However, none of the employees had experience working with technology that would be developed. The team already had several projects in progress based on other technologies and pointed out that it would not be possible to move forward with a new project and in which they had no experience and knowledge of the technology in question.

According to the employee's opinion, the investor with the most professional profile did not like the team's response and gruffly insisted, "my team does not want to work, and I want to take the project, so let us hire someone outside for the project." Faced with this situation, one of the employees decided to lead the project to help the company and improve the company's climate.

Nonetheless, this proved to be a big mistake because employee needed not only to learn about the new technology but also to face the customer, who was according to interviewed employee "very demanding". This situation turned out to be a big mistake. The project leader was unable to handle the customer well. Monkey'n Apps hired a business analyst to help the relationship between the client and the Monkey development team. However, she suggested that, "Monkey'n Apps will have to do this, because that is what you proposed," and the customer had already paid a percentage of the project value upfront.

The founder and investor who were supposed to help overcome the situation with the customer did not give proper importance, as one was looking for solutions to get out of business, and the other was more concerned with the customer relationship with Vita IT. With all this, the client litigated and Monkey'n Apps had to compensate the customer. According to the former employee, this happened with other clients.

This episode illustrates the reasons for Monkey'n Apps' failure as it corroborates the main reasons identified by the entrepreneur. However, the former employee interview presented more information about the performance of the founder and investor and the mistakes made by the investing partner and the entrepreneur.

6. Conclusion

The present study aims to identify how the creation, configuration, and appropriation of value in the business model are associated with the failure of Monkey´n Apps. From the lens of business model theory, and value creation, configuration, and appropriation theory, all partial business model components need to be developed appropriately. The relationship between creation, configuration, and value appropriation and the partial models of business models allow us to identify the reasons that are associated with startup failure.

The second specific objective was to identify the moments of creation, configuration, and appropriation of value in the Monkey'n Apps business model. The present study established a relationship among each value element and the Wirtz's (2016) business model and partial business model. From this relationship, we analyzed and designed the business model and the categorization of the aspects related to a failure found in the field research.

The value creation, evaluated in the strategy, customer and market supply models did not affect Monkey'n Apps failure. Monkey'n Apps defined clearly its value proposition, presented solutions that sought to solve real sector problems, and validated them in their pre-operation research, which the literature presents as essential aspects of business models (Osterwalder & Pigneur, 2011; Wirtz, 2016).

Value configuration is the process of implementing the opportunities identified in the value creation phase. In the observed case, value configuration did not affect Monkey'n Apps failure. The company's network model could be considered well consistent. Monkey'n Apps built networks and enjoyed the benefits of belonging to a cohesive technology innovation hub.

As presented in the theoretical framework, networks and partnerships can have a significant influence on the value creation of a company (Osterwalder & Pigneur, 2011; Wirtz, 2016). However, as stated by Wirtz (2016), the models cannot be analyzed in isolation. Even without explicit configuration, the network models have suffered from resource model failures, making it challenging to continue relationships with its main partners.

The third specific objective sought to relate the critical factors of the business models that interfered with the creation, configuration, and appropriation of value. The related critical factors made it possible to understand the business models of the startup studied and the value proposition. All critical factors that influence business models favorably or unfavorably and analyzed in an integrated manner.

The fourth specific objective was to identify the reasons that may be associated with failure in the creation, configuration, and appropriation of value in business models. The most significant flaws in Monkey`n Apps business models were identified. Furthermore, it was possible to conclude that they were in the partial models related to the value configuration, being the resource model the most critical in the studied case. The structural role of the resource model in startups business models was confirmed as identified in the literature.

For Monkey’n Apps, the strategy model and resource model lost track during the its development. The relationship between the founder's partners deteriorated, and the misalignment amongst the company strategy drove the company to failure. The lack of alignment between the partners' personal and professional goals hampered the scope of the initial planning. It is relevant that these issues are discussed before the start of a society as the partners' goals should be convergent to minimize misunderstandings.

For future research, we suggest other enrich in-depth study in the Brazilian startup environment to understand the problems amongst shareholders and how to mitigate those issues. Small and medium-sized companies are essential to the economy as they are the largest employers in the Brazilian economy and could help the country out of the crisis. (IBGE, 2015).

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8. Annex

Roteiro de Entrevista

1. **Identificação e Características gerais:** (Nome, data, local de instalação, capital inicial, estrutura do capital, número de funcionários, diferenciais frente a concorrência no início)
2. **Trajetória da Startup:**

   2.1. Início: Sócios (formação e origem deles, atividades de cada um, mudança); ideia (como surgiu); ambiente de negócios na altura; incubadora ou aceleradora? Ajudou ou prejudicou?

   2.2. Trajetória: Milestones; alterações: da ideia inicial, processos, recursos, operações, clientes (mercado); maior volume de vendas, faturamento?

   2.3. Encerramento: data, quantos funcionários no fim, motivo, o que faria diferente? O que aprendeu com a experiência? Voltaria a empreender?

3. **Descrição do Modelo de Negócio**

   3.1. Componente Estratégico: principais produtos e serviços; mercado; ferramentas de planejamento estratégico utilizadas; quais? Swot, missão...foram úteis? quem participou do plano inicial; a estratégia era discutida? Por quem? Com que frequência? Houve alteração nos produtos serviços iniciais? Houve necessidade de alterar a estratégia de produto, mercado? Houve tomadas de ações? Havia recursos para implementar as mudanças?

   3.2. Proposição de valor: Quem participou? Em que momento? Com base em que foi determinado que este seria o valor a ser entregue? Havia um problema claro a ser solucionado ou a satisfação de uma necessidade? Especificamente, quais eram os benefícios que eram entregues? Essa solução era superior a dos concorrentes? Havia recursos suficientes em termos de recursos humanos, organizacionais e físicos necessários para a entrega do valor proposto?

   3.3. Serviços

   Os produtos ou serviços se encaixavam em alguma das categorias a seguir:

   a) o produto ou serviço resultava em uma aquisição mais eficiente do que outros no mercado;
   b) os produtos ou serviços faziam parte de um conjunto de soluções;
   c) a troca por um produto ou serviço concorrente causaria um grande dano financeiro ao cliente; ou
   d) o produto ou serviço era reconhecidamente inovador e único.

   Os recursos necessários eram acessíveis? Como foram desenhados os processos para a consecução dos produtos ou serviços?

   3.4 Clientes

Descreva com ocorreu o processo de identificação das necessidades dos clientes em potencial (customer value creation) e como foram identificados os clientes em potencial? Como ocorreu o processo de desenvolvimento do produto ou serviço? Foi estabelecido um programa de marketing e de vendas (incluindo CRM)? Como foi desenvolvido? Como ocorreu a identificação, o desenvolvimento e a gestão dos canais de distribuição?

3.5 Recursos

Quais eram seus principais recursos físicos? Intelectuais? Financeiros? Operações-pessoas chave? Quais eram suas principais competências? Com relação aos concorrentes, estas competências podem ser consideradas exclusivas? Em que sentido?

3.6 Redes

Quais as parcerias que havia na empresa? Havia parcerias estratégicas com outras empresas (entre não-competidores)? Houve alguma aliança com concorrentes? Houve alguma oportunidade de joint ventures para desenvolvimento de novos negócios? Quais eram os tipos de parcerias de compra e venda? Ex.: fornecedores exclusivos, confiáveis. Qual era o grau de dependência de recursos da sua empresa na relação com estas alianças?

3.7 Receitas

Quais eram as fontes de receita da organização? O modelo de receita da empresa contemplava qual(is) dessa(s) categoria(s)? asset sale, usage fee, subscription fee, renting, licensing, intermediation fee, advertising,... Como foram definidas as formas de se obter receita? Houve pesquisa prévia e delineado um modelo de receitas?

No momento em que foram planejadas as receitas futuras, foram definidos fatores como:

a) o tamanho do mercado e a estimativa de market share
b) o volume a ser gerado em cada canal de distribuição
c) os custos para se estabelecer cada canal de distribuição
d) os custos para se conquistar um novo cliente
e) uma política de preços dinâmica, flexível a mudanças que viessem a ocorrer na procura pelo produto ou serviço

3.8 Finanças

Com relação ao fluxo de caixa, havia um controle entre as necessidades de capital de giro e as receitas?

Como a empresa buscava o capital necessário para suas atividades? Havia controle do custo desse capital? Quais eram as fontes de financiamento? Elas estavam condicionadas pelos investidores ao cumprimento de milestones?

Quais indicadores financeiros a empresa controlava? Existiam objetivos a serem atingidos? Ex: Receita, Margem de lucro, ROI, EBITDA, custos fixos ou variáveis? Ou outros?

Como era realizada a análise financeira? Exemplo: Relatórios periódicos, capex (orçamento investimentos), opex (orçamento operacional), custos fixos, variáveis, balanços e demonstrativos financeiros.

3.9 Procurement (Aprovisionamento)

Com relação aos fatores de produção, quais eram seus principais insumos? Quem os fornecia? Com que frequência?

Quais foram as razões para a escolha desses fornecedores? Pode-se afirmar que seus fornecedores eram exclusivos? Confiáveis? Flexíveis? Consistentes com relação à qualidade? Havia outras opções de fornecedores?